

Senate Bill 416

By: Senators Shafer of the 48th, Mullis of the 53rd, Hill of the 32nd, Rogers of the 21st and Williams of the 19th

A BILL TO BE ENTITLED
AN ACT

To amend Title 7 of the Official Code of Georgia Annotated, relating to banking and finance, so as to provide a short title; to provide legislative findings; to define certain terms; to require any bank or lending institution serving as a depository for the state or any department or agency of the state to offer and to accept gold and silver coin for deposit; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

This Act shall be known and may be cited as the "Sound Money In Banking Act."

SECTION 2.

Title 7 of the Official Code of Georgia Annotated, relating to banking and finance, is amended by adding a new chapter to read as follows:

"CHAPTER 9

7-9-1.

The General Assembly finds and declares that sound money is essential to the livelihood of the people of this state and to the stability and growth of the economy of this state and region and vitally affects the public interest. The General Assembly further finds that fiat money historically depreciates in value due to monetary inflation, while gold and silver coins hold their purchasing power over extended periods of time; and that the people of this state should be given the option to use gold and silver coins in voluntary financial transactions.

7-9-2.

As used in this chapter, the term:

(1) 'Federal Reserve Dollar accounts' means accounts based on legal tender federal reserve notes created by 12 U.S.C. 3, Subchapter XII.

(2) 'Gold eagle accounts' means accounts based on legal tender one-ounce, one-half-ounce, one-fourth-ounce, and one-tenth-ounce gold coins minted by the United States Mint since 1986 pursuant to 31 U.S.C. Section 5112(a)(7) through (a)(10) and 31 U.S.C. Section 5112(h).

(3) 'Silver eagle accounts' means accounts based on legal tender one-ounce silver coins minted by the United States Mint since 1986 pursuant to 31 U.S.C. Section 5112(e) and 31 U.S.C. Section 5112(h).

7-9-3.

Banks and lending institutions serving as a depository for the state or any department or agency of the state shall offer legal tender gold and silver coins minted by the United States to, and shall accept them for deposit from, the state and other customers.

7-9-4.

(a) Banks and lending institutions so designated in Code Section 7-9-3 shall offer accounts denominated in:

(1) Federal Reserve Dollar accounts;

(2) Gold Eagle accounts; and

(3) Silver Eagle accounts.

(b) Accounts established as provided in subsection (a) of this Code section shall be segregated from all other types of currency. Withdrawals shall be made in the same currency as deposits, unless upon mutual consent of the parties of any such withdrawal.

7-9-5.

(a) Gold eagle accounts and silver eagle accounts as defined in Code Section 7-9-2 and in accordance with Code Section 7-9-4 may be used in all transactions within the state upon mutual consent of the parties of any such transaction.

(b) Checks or electronic transfers or payments drawn on gold eagle and silver eagle accounts as such accounts are defined in Code Section 7-9-2 and in accordance with Code Section 7-9-4 may be used in all transactions within the state upon mutual consent of the parties of any such transaction.

(c) Nothing shall prohibit banks and lending institutions in this state from offering accounts as described in Code Section 7-9-4 prior to the effective date of this chapter."

55 **SECTION 3.**

56 This Act shall become effective one calendar year following its approval by the Governor
57 or one calendar year following its becoming law without such approval.

58 **SECTION 4.**

59 All laws or parts of laws in conflict with this Act are hereby repealed.